CLAIMS

What I claim is:

1. A method for a Coverage Provider to provide survival risk insurance to a Coverage Recipient comprised of the steps:
   - selecting a group of insured lives such that the insured lives belong to a mortality class as of a beginning date;
   - calculating an expected death benefit payable to the Coverage Recipient due to expected deaths of the members of the group of insured lives, said deaths occurring between the beginning date and an end date;
   - committing the Coverage Provider to pay the Coverage Recipient a benefit equal to a percentage of the positive difference between the expected death benefit and an actual death benefit payable to the Coverage Recipient due to actual deaths of members of the group of insured lives, said deaths occurring between the beginning date and the end date;
   - committing the Coverage Recipient to pay a premium to the Coverage Provider in exchange for the benefit.

2. The method of claim 1 wherein the premium is a single premium payable at about the beginning date and wherein the single premium is equal to or greater than the present value of the in force death benefit on the end date of the group of insured lives less the present value of the expected death benefit of said group of insured lives payable after the end date.

3. The method of claim 2 wherein the present values are calculated using an interest rate in the range of 4% to 25%.
4. The method of claim 1 wherein the premium is an annual premium payable for a premium paying period.
5. The method of claim 1 wherein the end date is on or before the end of the term of a loan, wherein said loan is from the Coverage Recipient to at least one of the insured lives.
6. The method of claim 1 wherein the specified period is chosen such that the probability of death of the insureds as of the end date is greater than or equal to 0.75.
7. The method of claim 1 wherein the benefit paid by the Coverage Provider to the Coverage Recipient is in the form of a loan.
8. The method of claim 7 wherein the premium includes a charge for loan interest.
9. The method of claim 1 wherein the premium is first calculated before the beginning date and then recalculated at least once after the beginning date.
10. The method of claim 1 wherein at least one of the insured lives is impaired.